

"AN ACT TO AMEND SECTION 1 OF ACT 552 OF 1985 [ARK. STATS. 12-2511.23] TO PROVIDE AN INCREASE IN BENEFITS FOR RETIRED MEMBERS AND SURVIVORS UNDER THE ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM; AND TO AMEND SECTIONS 1 AND 2 OF ACT 479 OF 1983, AS AMENDED [ARK. STATS. 76-1912.5 AND 76-1912.6], TO INCREASE THE ANNUITIES OF THE BENEFICIARIES AND RETIRANTS OF THE ARKANSAS STATE HIGHWAY EMPLOYEES RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Section 1 of Act 552 of 1985, the same being Arkansas Statutes 12-2511.23, is hereby amended to read as follows:

"Section 1. On July 1, 1987, the monthly retirement benefit payable to retirants and beneficiaries of the Arkansas Public Employees Retirement System, who retired June 1, 1985, or before, shall be increased as follows:

(a) Those retirants and beneficiaries who retired June 1, 1985, or before, shall receive five percent (5%) of the benefit amount payable June 1, 1986, for each full year from the date of retirement through June 1, 1987, with a maximum increase payable of twenty percent (20%) of the June 1, 1987 retirement benefit. The following schedule shall be used to determine the percent of increase due.

Date of Retirement	Percent of Increase
7-1-85 and after	0%
7-1-84 through 6-1-85	5%
7-1-83 through 6-1-84	10%
7-1-82 through 6-1-83	11%
7-1-81 through 6-1-82	12%
7-1-80 through 6-1-81	13%
7-1-79 through 6-1-80	14%
7-1-78 through 6-1-79	15%
7-1-77 through 6-1-78	16%
7-1-76 through 6-1-77	17%
7-1-75 through 6-1-76	18%
Before 7-1-75	20%

(b) The increase in benefits provided in (a) above shall be added to the monthly benefit after the annual post-retirement increase based on the consumer price index has been applied, and shall be added to the base annuity of the member or beneficiary."

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 3. Section 1 of Act 479 of 1983, as amended, the same being Arkansas Statute 76-1912.5, is hereby amended to read as follows:

"Section 1. Effective July 1, 1987, the monthly retirement benefit, payable to the retirees and beneficiaries of the Arkansas State Highway Employees Retirement System who retired prior to July 1, 1985, and who receive an annuity for July 1987, shall be increased no more than fifteen percent (15%) of the annuity received for June 1987. The fifteen percent (15%) increase shall be in accordance with the following schedule:

Retired	Percent_Increase
After 6-30-85	0%

7-1-83 through 6-30-85	1%
7-1-82 through 6-30-83	2%
7-1-81 through 6-30-82	3%
7-1-80 through 6-30-81	4%
7-1-79 through 6-30-80	5%
7-1-78 through 6-30-79	6%
7-1-77 through 6-30-78	7%
7-1-76 through 6-30-77	8%
7-1-75 through 6-30-76	9%
7-1-74 through 6-30-75	10%
7-1-73 through 6-30-74	11%
7-1-72 through 6-30-73	12%
7-1-71 through 6-30-72	13%
7-1-70 through 6-30-71	14%
Before 7-1-70	15%"

SECTION 4. Section 2 of Act 479 of 1983, as amended, the same being Arkansas Statute 76-1912.6, is hereby amended to read as follows:

"Section 2. The increase in benefits as provided in Section 1 of this Act shall be added to the base annuity for the purpose of computing the annual post-retirement increase as provided for in Section 12(e) of Act 454 of 1949, as amended, for the benefit redetermination on July 1, 1988, and all years thereafter."

SECTION 5. EMERGENCY. It is hereby found and determined by the General Assembly that benefits provided certain retirants and beneficiaries under the Public Employees Retirement System are inadequate and that the law should be revised to provide an increase in benefits for those members and beneficiaries who retired before July 1, 1985; that such increases should be placed in effect as soon as practicable in order to avoid an undue hardship to many of such retirants and beneficiaries; and that this Act is designed to provide for such increase in benefits and should be given effect at the earliest reasonable date. Therefore, an emergency is hereby declared to exist and this Act being necessary for the preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 1987.

APPROVED: April 8, 1987

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